

**MARYLAND GOVERNOR'S COMMISSION ON
HISPANIC AFFAIRS
Meeting Minutes**

Date: Saturday, October 16, 2010

Time: 10:00 a.m. – 12:00 Noon

Place: Howard County Community College, DH Building
10901 Little Patuxent Parkway
Columbia, Maryland

Present: Chair Y. Maria Welch, Vice Chair Ricardo Martinez, Javier G. Bustamante, Lydia Espinosa Crafton, Christina M. Diaz-Malone, Elizabeth Ysla Leight, Arelis A. Pérez, Lea Ybarra

Absent: Elizabeth C. Bellavance, Ricard V. Cook, Veronia A. Cool, Mariana Cordier, Ricardo Alberto Flores, Colonel Robert L. Hylton, Maria T. Pinto Johnson, Carmen Ortiz Larsen, Hector G. Manzano, Luisa Montero-Diaz, Sonia E. Mora, Nicolas H. Ramos
V

Staff Present: Agnes M. Smith

I. Call to Order and Greetings

The meeting was called to order by Chair Y. Maria Welch who turned the floor over to Commissioner Christinia Diaz-Malone, Chair of Housing Committee.

II. Commission Statement on Housing & Community Development

Commissioner Christinia Diaz-Malone addressed the Commission about the magnitude of the foreclosure issue. She thanked the Commission for coming since she thought if she could get even one more besides her to see face to face what's happening with our families. She noted that they probably know but she doesn't think they seen the magnitude of this issue. She noted that every day she gets in the car and she hears all the pundits and all the research that's been done to say this crisis is over. It isn't over by any stretch of the imagination. She noted every time they have an event she spends an inordinate amount of time trying to knock on doors to get people to put up the flyers, trying to do it the old fashion way. She thought if she go face to face with the business they would let her put up the flyers, etc. She noted that she can't do this anymore. Commissioner Diaz-Malone noted that we need to rely on the services. The Hispanic communities are scared and don't want to come out. A lot of these people are homeowners who have brought homes, are in a sad situation and there is help for them. She noted that they have not been able to get Latinos or people in the county. She noted she has had events here for several events here on the premises and maybe 50 people

would show up. This time the Department of Housing and Community Development asked the county to have an event here again. She noted she didn't see any flyers, billboards, etc. The only thing she saw was the flyers that the county sent to everyone. Commissioner Diaz-Malone noted that at 9:00 a.m. the room was filled for an event that is scheduled for 10:00 a.m. – 2:00 p.m. She noted this is more than she expected but she asked Administrator Jessy Mejia to get as many Commissioners that could to attend. This is a foreclosure event that invited everyone including lenders, lawyers, etc. She noted that Governor Martin O'Malley is funding the Civil Justice and they have a volunteer group of lawyers that go to all of these events throughout the State in a State funded program. They are supposed to help people who are at 50% or below income. The people come and they bring their notes. You see them with their packets with everything that have ever gotten from the lender, all the closing documents and the lawyers review them to make sure there was no predatory lending. They will review the notes and follow-up on the case. She noted that lenders are also here who have computers. They will be looking up their case and taking face to face applications and bringing them up to a special area where after today they will contact people and escalate their issues. Then there are counselors who see the borrowers. You have the lenders, counselors and lawyers who they put in a holding room. In the holding room they have presentations and information throughout the time they are here. She noted that it takes about 20,000 to put something like this together. She informed the Commission that they had an event with the DHCD at a Latino church. She noted that the churches seem to get a lot of the community out to these events. This event happened two weekends ago with 250 persons attending. Commissioner Diaz-Malone noted that her goal today is to dispense with the speeches which were done last year. She noted that this is one of the most aggressive states on consumer protection of the borrower. The Governor has called for more statewide moratorium as a result of the Robo Signing of the mortgages. He has done everything that he possibly can. He's funded resources, mandated the DHCD, funded lawyers program, DLLR is there to review any cases for predatory. The systems are in place but the people are not aware and if they are aware they don't know how to access the services. Her plead to the Commission is that all of them have a mailing list and if they know people who know people who can get a hold whether or not they are Latino, whether or not they are or think they are having a problem to just send this information because the events are going on. She noted that the Congressman Cummings have been doing events throughout the entire year. She has been attending. The politicians are jumping on the band wagon because these people are calling their offices and they are calling Freddie Mac. She noted that if a congressman calls Freddie Mac they elevate it and it goes to an escalation unit. They don't want it to go through the escalation unit they want them to go through the lenders. She noted that we are in a vicious cycle. She noted that the lenders were talking about who was the first one to cry uncle when the bubble burst. Nobody wanted to get out of the lending business before the bubble burst. They knew they were faking documents, they knew people were being preyed upon, because the Consumer Federation of America was saying it. The people that were being preyed upon were the women, elderly, Latino and Blacks. This mortgage crisis is being born on the backs of these four segments of our population. Her goal was to get Ms. Kelly Vaughn to tell the Commission about the program but since they don't have enough volunteers she is running around.

Commissioner Javier Bustamante noted that the moratorium is a good thing but does Governor O'Malley has to pass it through legislation?

Commissioner Diaz-Malone answered yes he can't just stop it on his own.

Commissioner Lea Ybarra noted that she heard that all 50 governors have joined together to sue.

Commissioner Bustamante noted that President Barrack Obama does not want to do this. He suggested that the Commission do a concerted effort to go not only to our congress and the Governor but to go to Whitehouse.

Commissioner Ybarra noted that it was said they don't want to do it because if you put a hold on all the mortgages then you are really going to slow getting out of recovery.

Chair Welch noted that the problem is that they are not addressing the actual item. She noted that with the Center they have people here today. They made sure that information got out because they see the cases on a daily basis. How you can have de-fraudulent documents put together. How you can infuse a \$20,000 deposit that they had to have in their bank account and people have no idea how the money went in and went out. They had their routing number and all so they could qualify. The things that are heard are incredible.

Commissioner Bustante asked if the Commission was to advise people to file bankruptcy.

Commissioner Diaz-Malone answered not necessarily. She noted that she have met with people who have used every single penny and they only come for the help when they run out of their 401K, everyone else savings since they borrow from everyone else and then there is nothing left. When she meets someone who is at that point she just tells them that she will prefer them to somebody who can get them to get a new start which they are calling "the soft landing". The new start is you file bankruptcy and clear your debts. She noted you have bad credit already and with bankruptcy its seven years to restore your credit but you can start rebuilding your credit in two years. She noted if you have nothing and you are still trying to pay it's going to take you longer than seven years. It was noted that this crisis in a whole is going to take people decades to recover from. Commissioner Diaz-Malone noted there were two things she wanted to accomplish her today:

1. Commissioners see how things are set-up. See how people get help and experience it.
2. Then have a dialog on how the Commission can actively inform people to come to the services. She noted that the lenders do send out letters.

She noted that there were only 200 people in the delinquent borrowers in this county because most of the people out there are FHA or they got their loan through a broker and the loan is owned by someone else. That's not to say there are only 200 people that need

the help here. The thing is to have the discussion on outreach. How do we reach out to the community? Help to understand what the traditional means to reach out to the community is. She noted that she tired Casa de Maryland and gave them a \$25,000 grant this year from Freddie Mac. She noted that they don't do foreclosure prevention but they send people over there. That little bit of money was a drop in the bucket only to say if you could pay somebody to send somebody someplace else please send them on. She noted that the Governor funds a group of non-profit housing professionals with some of them being bi-lingual. There is help but how do we get people to seek the help. Where do the Latinos get their information from? She noted that she went to the Flea Market on Route 1 and it is a little Mexico. She tried to do the flyer thing and they threw her and her Mexican out.

Commissioner Elizabeth Leight asked Commissioner Diaz-Malone when she talks to the people who distribute the information could she please ask them to contact the Maryland Hispanic Bar Association because they did not get this information. Also on a countrywide basis the National Hispanic Bar Association to dialog on the impact of the Hispanic community at large. She noted that she is active statewide and countywide on PTA that's the first place where the families are coming. They are coming to the school and saying I'm sorry I'm going to have to move. My child is now in a shelter. She is hearing from the principal that that's where the information is. If the Commission could incorporate in some way information through the local PTA's, county PTA's they will distribute pretty much anything you give them especially if it's a free service. They will also translate it. She noted that she will mention it as well at the next county meeting.

Commissioner Diaz-Malone asked where she could get a list of the PTA groups. Commissioner Leight will send the website to Commissioner Diaz-Malone.

Commissioner Diaz-Malone noted that the Commission needs to follow-up on the dialog on the immigration issues because as a Latino both sides concern her. She said let's see how the Commission can tackle this big monster. She noted that today she wants the Commission to take a tour and see firsthand what's going on with the housing issue.

Commissioner Lydia Crafton noted that what she is seeing and with the work that she do in mediation with most of her cases being family is that the economic pressures that is going on in families are really tearing the families apart. What happens is that they are losing their property in the process since they need the two incomes. She noted this right here is having a huge impact on the family life.

Commissioner Diaz-Malone noted that someone called and asked if it was possible to have mental health people to come to these meetings. They are looking into doing this as well.

Commissioner Bustamante asked Commissioner Diaz-Malone to compile something in terms of problems discussed and put it in a article he could publish it with or without her name. Commissioner Crafton said she could have it published in the local paper that covers a few counties.

Commissioner Ybarra spoke about a meeting the Commission had a while back where the media was upset that they weren't included, that was a whole network right there. This is what people pick up since it's free.

Commissioner Diaz-Malone informed the Commission that an article was done by one of the Hispanic papers mostly on the State. She noted that Freddie Mac is about to do some stuff on the social media. She asked the Commission to forward to their network when she sends things around.

Commissioner Leight noted that if the Commission is talking about PR that letter from the Governor is wonderful. She noted to go to the radio stations with this would be a great start.

Commissioner Diaz-Malone informed the Commission that they need a spokesperson besides her. She would be happy to educate anyone who wants to be the spokesperson. If anyone wants to be groomed to talk about this issue to work with her staff and some folks she knows that do media work to get them prepared for this kind of thing. It is a very continuous issue. She also noted that the immigrant population is soon going to be blamed for the bed bug issue. She noted that the immigrant community was blamed for causing this issue.

Chair Welch noted that the Governor has noted in his speech that the immigration population is not responsible for the bank reform issues, foreclosure issue and for depleting the resources for medical assistance. She thanked Commissioner Diaz-Malone and the Commissioners that was able to attend because it helps us to connect back to the reason why we are in the roles that we are in and have the opportunity to see the help that the Commission truly are giving. She noted that she's a product of Maryland's resources and if they had been kept secrets she wouldn't have the chance she has now and what she has been able to accomplish. She knows firsthand how these resources being available exist and how to access them. She informed the Commission that they need to come up with a better way to work with the municipalities and also with the different departments. Another thing you hear is we don't have a budget to translate and we don't have a budget to deal. The Commission needs to come up with a plan to address this. There has to be a mechanism that the Commission can help create or foster because we can't continue to listen to that dialog that there are no resources.

There was a request to have a calendar of where the events are taking place. A link will be sent to the Commission.

Commissioner Diaz-Malone noted that another thing is that the Governor does provide monies for counselors and that they be HUD certified. She noted that they say they are bi-lingual but they aren't. She asked Ms. Vaughn if they hold them accountable for the money they are given. She is also trying to get those people who are taking the houses back to coordinate and work with the counselors to see how we can bring those homes

back to the community. What's happening is investors are buying the properties and holding onto them so that they can sell them back.

Commissioner Ybarra asked that with the workshops being done is there any data on how many foreclosures are being prevented.

Commissioner Diaz-Malone answered yes and she can get the information and send to the Commission. They have it nation for the nation and they can do a breakdown.

This information is requested to see if persons were coming in on time or was it too late. It was noted that they are not coming in on time. They are going now to the second wave because the first wave was the problem with the mortgages. The second wave was the unemployment.

Commissioner Leight reminded the Commission that last year she mentioned at one of the Commission meetings that she had through the Anne Arundel County Bar Association two pro bono events at a library. One of them a counselor from her first set of meeting that was held also in Howard County came and counseled some people on mortgage issues, foreclosure issues, etc. The second one they didn't have anyone there but they are planning to do some more and she would encourage every county since every county has a bar association and they have a pro bono committee that has to put on events. If you have people who can show up at least they can have someone who can help them. She's been holding them in the libraries because she finds that people are more likely to come to libraries then to come to a courthouse.

Commissioner Diaz-Malone noted that she wants to take the Commission on the walk thru. She will have notes sent to the Commission not in the minute format.

Chair Welch noted that Administrator Mejia was with the Governor recording the Hispanic radio spots. She said that he sounded native. The Commission congratulated Commissioner Diaz-Malone and Administrator Mejia.

The meeting was adjourned at 11:25 a.m.